

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	yen	yen	yen	yen	yen
Year ended Feb. 28, 2022	—	42.00	—	42.00	84.00
Year ending Feb. 28, 2023	—	42.25	—		
Year ending Feb. 28, 2023 (Forecast)				42.25	84.50

(Note) 1. Revisions to the most recently announced dividends forecast: No

2. Breakdown of annual dividend forecast for the fiscal year 2023

Ordinary dividend	84.00 yen
Commemorative dividend	0.50 yen (A commemorative dividend for the 175th anniversary)

3. Consolidated Earnings Forecast for the Fiscal Year Ending February 28, 2023 (March 1, 2022 to February 28, 2023)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	123,000	2.3	11,100	18.9	12,700	0.5	9,700	0.4	121.68

(Note) 1. Revisions to the most recently announced consolidated forecast: No

2. Beginning with the first quarter of the fiscal year ending on February 28, 2023, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). The above consolidated earnings forecast is prepared based on such accounting standards.

*Notes

(1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries resulting in changes in scope of consolidation) : None

(2) Application of special accounting methods for preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revision of accounting standards	: Yes
2) Changes in accounting policies other than 1) above	: None
3) Changes in accounting estimates	: None
4) Restatement	: None

(4) The number of shares outstanding (common stock)

1) Total number of shares outstanding at the end of the period (including treasury stock)

As of Nov. 30, 2022	: 85,164,895 shares
As of Feb. 28, 2022	: 85,164,895 shares

2) Total number of treasury stock at the end of the period

As of Nov. 30, 2022	: 5,665,543 shares
As of Feb. 28, 2022	: 5,427,284 shares

3) Average number of shares outstanding during the period

Nine months ended Nov. 30, 2022	: 79,715,046 shares
Nine months ended Nov. 30, 2021	: 81,670,294 shares

*Quarterly financial results reports are not subjected to quarterly review.

*Explanation for appropriate use of financial forecasts and other special notes

Among this document, the forecasts based on the plan may change due to uncertain factors. Therefore, the actual operating results may differ from the company's view.

Financial settlement briefings for institutional investors and analysts will be held on January 12, 2023. Presentation materials of financial results will be posted promptly on the company's website after the financial settlement briefings.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance sheets

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2022)	Current Third Quarter (As of Nov. 30, 2022)
Assets		
Current assets		
Cash and deposits	129,290	133,994
Notes and accounts receivable - trade	38,505	—
Notes and accounts receivable - trade, and contract assets	—	37,775
Securities	13,141	15,501
Merchandise and finished goods	8,919	11,480
Work in process	438	670
Raw materials and supplies	7,055	8,156
Other	3,219	11,870
Allowance for doubtful accounts	△393	△297
Total current assets	200,176	219,150
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,905	14,179
Other, net	25,163	30,273
Total property, plant and equipment	39,069	44,453
Intangible assets		
Sales rights	442	406
Other	883	729
Total intangible assets	1,326	1,136
Investments and other assets		
Investment securities	52,519	61,728
Other	9,980	10,619
Allowance for doubtful accounts	△214	△207
Total investments and other assets	62,286	72,141
Total non-current assets	102,681	117,730
Total assets	302,858	336,880

(Millions of yen)

	Prior Fiscal Year End (As of Feb. 28, 2022)	Current Third Quarter (As of Nov. 30, 2022)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,533	10,334
Electronically recorded obligations - operating	5,692	6,369
Short-term loans payable	1,071	1,071
Income taxes payable	2,938	2,073
Provision for sales returns	135	—
Provision for bonuses	1,363	530
Other	13,424	31,105
Total current liabilities	32,160	51,485
Non-current liabilities		
Long-term loans payable	219	166
Net defined benefit liability	8,216	8,508
Other	7,376	4,891
Total non-current liabilities	15,812	13,566
Total liabilities	47,972	65,051
Net assets		
Shareholders' equity		
Capital stock	8,473	8,473
Capital surplus	2,356	2,361
Retained earnings	236,192	233,111
Treasury shares	△19,527	△20,419
Total shareholders' equity	227,495	223,527
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,070	17,953
Revaluation reserve for land	3,641	3,616
Foreign currency translation adjustment	5,633	23,558
Remeasurements of defined benefit plans	1,073	847
Total accumulated other comprehensive income	25,419	45,976
Share acquisition rights	254	250
Non-controlling interests	1,717	2,074
Total net assets	254,885	271,829
Total liabilities and net assets	302,858	336,880

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – Nov. 30, 2021)	Current Fiscal Year (Mar. 1, 2022 – Nov. 30, 2022)
Net sales	86,663	91,881
Cost of sales	34,884	39,100
Gross profit	51,779	52,781
Selling, general and administrative expenses	44,805	44,274
Operating profit	6,973	8,506
Non-operating income		
Interest income	110	398
Dividend income	595	626
Foreign exchange gains	891	3,210
Other	329	452
Total non-operating income	1,927	4,687
Non-operating expenses		
Interest expenses	11	12
Share of loss of entities accounted for using equity method	74	35
Cost for idle operation	77	95
Other	72	46
Total non-operating expenses	235	189
Ordinary profit	8,665	13,003
Extraordinary income		
Gain on disposal of non-current assets	6	142
Gain on sales of investment securities	652	—
Total extraordinary income	659	142
Extraordinary losses		
Loss on disposal of non-current assets	53	116
Loss on discontinuation of sale	279	—
Total extraordinary losses	333	116
Profit before income taxes	8,992	13,029
Income taxes	2,564	3,208
Profit	6,427	9,821
Profit attributable to non-controlling interests	209	299
Profit attributable to owners of parent	6,218	9,522

Quarterly Consolidated Statements of comprehensive income

(Millions of yen)

	Prior Fiscal Year (Mar. 1, 2021 – Nov. 30, 2021)	Current Fiscal Year (Mar. 1, 2022 – Nov. 30, 2022)
Profit	6,427	9,821
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,855	2,928
Foreign currency translation adjustment	5,013	18,021
Remeasurements of defined benefit plans, net of tax	△193	△240
Share of other comprehensive income of entities accounted for using equity method	△42	△31
Total other comprehensive income	2,922	20,678
Comprehensive income	9,349	30,499
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,161	30,104
Comprehensive income attributable to non-controlling interests	187	395



Our commitments originate from each individual's determination to "start something good for ecology (eco)!"

Hisamitsu Pharmaceutical has designed the "HELLO! eco!" mark as a symbol of its environmental activities,

and products that have met the ecology standards that our company has established will display the "HELLO! eco!" mark sequentially.

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